

**Amendments to the Specification:**

Please replace the paragraph beginning on page 7, line 22 with the following paragraph:

In addition, the controller is adapted to track the state changes from each position to the next ~~forklift~~ for determination of a failure of a sensor.

Please replace the first paragraph on page 11 with the following paragraph:

As an alternative embodiment a fourth sensing element is added, the truth table for this embodiment is reproduced below. Here, all bits change at a transition position between each lever or gear position. Thus, a Transmission Range Sensor is provided wherein failure of a sensor can be determined through a ~~signal~~ single transition from one state to another. Also, and as illustrated below there is also a transition state having a unique binary code corresponding to positions between each gear. Therefore, there is a bit change before and after each gear as well as the gear position itself.